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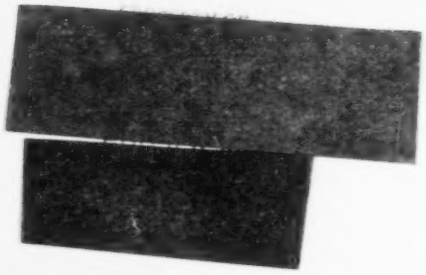

FIELD REPRESENTATION

UNIDO field representation

Report by the Director-General

Summary

Provides information on the current status of UNIDO field representation, outlines a plan for subregional field offices and discusses the proposed reformation of United Nations activities at the country level.

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Introduction

1. The Board in its decision IDB.16/Dec.15 reaffirmed the importance of UNIDO field representation in the developing countries and welcomed the new approach to field representation outlined in document IDB.16/19, in particular the reorientation of the programme towards an effective subregional coverage, the combining of the subregional offices with national focal points and the concentration of activities of field offices so that they contribute better to the substantive work of the Organization.

2. The Board requested the Director-General, *inter alia*, to develop, in consultation with Member States and closely working with regional groups, a specific proposal for the country coverage and location of subregional offices based, among others, on the criteria described in paragraphs 15 and 16 of document IDB.16/19, bearing in mind the need for financial sustainability as well as the need to improve cooperation at the field level within the United Nations system, including using common premises.

3. The Board also requested the Director-General to submit a progress report to the Industrial Development Board at its seventeenth session on ways and means in which its recommendations have been implemented. The present document has been prepared in response to that request.

I. CURRENT STATUS

4. As of 1 March 1997, UNIDO maintained 41 field offices covering Africa (15), Arab States (4), Asia and the Pacific (9), Europe and the Newly Independent States of the former Soviet Union (NIS) (2), and Latin America and the Caribbean (11). The staff structure of the UNIDO field offices by region is shown in table 1, and the annex shows UNIDO field staff by country.

5. Of the 41 UNIDO field offices, 21 cover not only the host country but also some neighbouring countries. As of 1 March 1997, 24 field offices were headed by UNIDO Country Directors and three by UNIDO National Directors. These offices were also staffed by a secretary and a driver. In addition, six offices were run by National Programme Officers while five were headed by Junior Professional Officers. The remaining three offices were staffed with General Service-level staff only.

6. The termination at the end of 1997 of the financial support from the United Nations Development Programme to UNIDO's field representation programme, coupled with the current budgetary uncertainties faced by the Organization, is putting strong pressure on the limited financial resources available to UNIDO for the field representation programme. Given the expected volume of financial resources from both the operational and the regular budgets, the Organization will be able to maintain, at best, 20 subregional field offices from

Table 1. Staff structure of UNIDO field offices
(as of 1 March 1997)

Region	No. of offices	Staff				
		UCD	UND	AE/JPO[a]	NPO	GS
Africa	15	10	1	17	3	28
Arab States	4	3	0	2	1	8
Asia and Pacific	9	6	1	17	3[b]	21
Europe and NIS	2	0	1	3	1	4
Latin America and the Caribbean	11	5	0	6	2[c]	19
Total	41	24	3	45	10	80

a/ Indicates Junior Professional Officers (JPOs)/Associate Experts (AEs) that are posted either in countries where a UNIDO field office is located or in countries of coverage.

b/ Includes an Industrial Development Adviser.

c/ Includes a Programme Officer.

1 January 1998, provided that the following conditions are met:

(a) Host countries will significantly contribute towards local office costs;

(b) Host countries will provide National Programme Officers and focal-point arrangements free of charge;

(c) Donor countries will continue to finance a sufficient number of Junior Professional Officers and Associate Experts;

(d) A significant number of Professional-level posts and staff are redeployed from Headquarters to the field.

II. IMPLEMENTING BOARD DECISION IDB.16/DEC.15

7. As outlined in document IDB.16/19, UNIDO's new approach to field representation is based on the principle of a network of two interconnected layers of coverage: subregional offices and country focal point offices. Following its endorsement by the Board, the Organization developed further the concept of a subregional structure of field representation within the reduced financial resources available, especially in relation to the location and coverage of subregional offices.

8. As stated in paragraphs 15, 16 and 17 of document IDB.16/19, a given subregional office should cover a group of countries with similar industrial structure and economic development levels. Special attention would be given to the needs of least developed countries. However, a number of additional criteria such as interest expressed by host country Governments and their readiness to contribute towards local costs, a political environment conducive to the efficient functioning of the office, volume and growth of UNIDO programmes, geographical proximity to regional institutions and availability of infrastructure should also be taken into account.

9. Among the multitude of criteria, the decision to establish a subregional office should be made principally on the basis of the current volume and growth of UNIDO programmes, considering that the *raison d'être* for maintaining a given field office is based on the present as well as expected demand for UNIDO services. The future structure of the UNIDO field representation programme should thus be primarily assessed on the basis of the potential involvement of the Organization in supporting a country's industrial development programmes and on the likely access to funds from international institutions and donor countries.

10. Based on the above considerations, the Organization is planning to cluster countries within 20 subregions with the following likely geographical distribution of subregional offices: eight in Africa, two in non-African Arab states, six in Asia and the Pacific, and four in Latin America and the Caribbean. In most cases, these clusters would coincide with the geographical coverage of regional economic institutions or with geographical areas that are recognized by the individual countries concerned as economically or politically interconnected. Consultations with Member States concerning specific locations of subregional field offices and their country coverage will be initiated at an appropriate juncture pending developments in the ongoing debate on the future role and functions of UNIDO.

11. Given the large spectrum of activities and the human resources involved, the reorientation of UNIDO field representation towards a subregional structure will need to be implemented progressively. It is therefore proposed to proceed with the actual implementation of the subregional approach in distinct phases. In a first phase, two or three subregional offices, intended as pilot cases, would be established. In a second, based on the experience from the pilot phase, the Organization would proceed to extend the network.

III. PROPOSED SUBREGIONAL STRUCTURE WITHIN THE UNITED NATIONS SYSTEM

12. In the context of the ongoing reforms of the United Nations system, the major donor countries have stressed their preference for a unified system-wide field representation, covering all organizations. In this connection, views were expressed that a unified field representation should be entrusted not only with administrative and support functions but also with responsibilities of programme coordination at the country level. In his letter of 17 March 1997 to the President of the General Assembly, the Secretary-General of the United Nations outlined his plans for greater integration of United Nations activities at the country level. He called, *inter alia*, on all United Nations funds and programmes conducting development activities in a particular country to join together, under the Resident Coordinator as the leader of the United Nations country team, and announced that the drive to establish common premises and common service arrangements at the country level will be intensified to save on administrative costs to the benefit of programmes, to harmonize procedures and to encourage continuous coordination, cooperation and consultation.

13. The implementation of a subregional UNIDO field representation structure as outlined in document IDB.16/19 should thus be considered in the light of the

ongoing changes in the United Nations system. Field representation and cooperation with other United Nations agencies were among the areas examined by the Board in the debate on the future role and functions of UNIDO at its seventh special session in April 1997. In views expressed at that session, the following specific elements concerning field representation received a strong measure of support from Member States:

(a) Functional and programmatic coordination between UNIDO field representation on the one hand, and field representation of United Nations bodies and of other relevant international organizations on the other hand, should be improved. In this context, consideration should be given to the idea of integration of UNIDO offices in unified United Nations representations (IDB/S.7/Dec.3, annex, para. 10);

(b) Special attention should be given to the possibility of cost-sharing of field representation by the host country, taking into account the particular situation of the least developed countries (IDB/S.7/Dec.3, annex, para. 11);

(c) UNIDO should seek complementarity in its cooperation with other United Nations organizations, funds and programmes. It is important to stress in this regard the need to ensure the coordination and coherence of the mandates of the different United Nations system bodies (IDB/S.7/Dec.3, annex, para. 12).

14. The future structure of UNIDO field representation and the role and functions assigned to the field offices would therefore need to be compatible with the planned system-wide field representation at the country level. The final outcome of the Secretary-General's plans for a unified system-wide field representation will thus have to be awaited before taking final decisions at UNIDO.

IV. ACTION REQUIRED OF THE BOARD

15. The Board may wish to consider the information provided in the present document and make appropriate recommendations regarding the implementation of a subregional UNIDO field representation. Specifically, the Board may wish to request the Director-General:

(a) To develop the most appropriate concept that would harmonize the future UNIDO field representation with that of other United Nations organizations;

(b) To start developing, in close consultation with Member States, the first phase of the new field representation programme by creating three subregional offices as pilot cases, two of which should be in Africa;

(c) To make the required provisions in the proposed 1998-1999 biennium programme and budgets to enable the Organization to gradually implement its field representation programme along the lines recommended by the Board.

Annex

UNIDO field staff by country, as of 1 March 1997

Country	UCD	UND	NPO [a]	AE	JPO	SECRETARY	DRIVER	TOTAL
AFRICA								
Benin**	-	-	-	-	1	-	-	1
Cameroon*	1	-	-	-	1	1	1	4
Côte d'Ivoire*	1	-	-	-	1	1	1	4
Ethiopia**	1	-	-	-	1	1	1	4
Ghana*	1	-	-	-	1	2	1	5
Guinea**	1	-	-	-	-	1	1	3
Kenya*	1	-	-	1	1	1	1	5
Madagascar**	-	-	-	1	-	1	1	3
Malawi**	-	-	-	1	1	-	-	2
Mozambique**	-	-	-	1	-	1	1	3
Mauritius	-	-	1	-	-	-	-	1
Nigeria*	1	-	1	-	1	1	1	5
Senegal*	1	-	-	-	-	1	1	3
Togo**	-	1	1	-	-	-	-	2
Uganda**	-	-	-	-	1	1	-	2
United Republic of Tanzania**	1	-	-	1	1	2	1	6
Zambia**	1	-	-	-	1	1	1	4
Zimbabwe*	-	-	-	-	1	1	-	2
Total	**10**	**1**	**3**	**5**	**12**	**16**	**12**	**59**
ARAB STATES								
Algeria*	-	-	1	-	-	1	-	2
Lebanon*	1	-	-	-	-	2	1	4
Morocco	-	-	-	-	1	-	-	1
Palestine	-	-	-	-	1	-	-	1
Sudan**	1	-	-	-	-	1	1	3
Tunisia*	1	-	-	-	-	1	1	3
Total	**3**	**-**	**1**	**-**	**2**	**5**	**3**	**14**
ASIA and the PACIFIC								
China*	-	-	2	1	2	3	1	9
India*	1	-	-	1	1	2	1	6
Indonesia*	1	-	-	-	1	2	1	5
Micronesia**	-	-	-	1	-	-	-	1
Nepal**	-	1	-	-	-	1	1	3
Pakistan*	1	-	-	-	1	1	1	4
Philippines*	1	-	-	-	1	1	1	4
Sri Lanka*	-	-	-	1	-	1	-	2
Thailand*	1	-	-	4	1	1	1	8
Viet Nam*	1	-	1	1	1	1	1	6
Total	**6**	**1**	**3**	**9**	**8**	**13**	**8**	**48**
EUROPE and NIS								
Azerbaijan	-	-	-	-	1	-	-	1
Czech Republic	-	-	-	1	-	-	-	1
Kazakstan	-	-	-	-	1	-	-	1
Turkey*	-	1	-	-	-	1	1	3
Uzbekistan*	-	-	1	-	-	1	1	3
Total	**-**	**1**	**1**	**1**	**2**	**2**	**2**	**9**
LATIN AMERICA and the CARIBBEAN								
Argentina*	1	-	-	-	-	1	1	3
Bolivia*	1	-	-	1	-	2	-	4
Brazil*	-	-	-	-	-	2	1	3
Chile*	-	-	-	-	-	1	-	1
Colombia*	1	-	-	-	-	1	1	3
Costa Rica	-	-	-	2	-	-	-	2
Cuba*	-	-	1	-	-	-	-	1
Equador*	-	-	1	-	-	1	1	3
Haiti**	-	-	-	-	1	-	-	1
Honduras*	1	-	-	-	1	1	1	4
Jamaica*	1	-	-	-	-	1	1	3
Mexico*	-	-	-	-	1	1	1	3
Peru*	-	-	-	-	-	1	-	1
Total	**5**	**-**	**2**	**3**	**3**	**12**	**7**	**32**
Grand total	**24**	**3**	**10**	**18**	**27**	**48**	**32**	**162**

[a] Including international/national Professionals not mentioned elsewhere.

* UNIDO field offices.